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By Email

May 16, 2023

Mr. Mikhail Vinogradov
Director General
General Directorate for International Legal Cooperation
Prosecutor General's Office of the Russian Federation
Bolshaya Dmitrovka str., 15a, build. 1
125993, Moscow
Russian Federation

Re: Payment of Arbitral Award in PCA Case No. 2017-16 - NJSC Naftogaz of Ukraine, et al. v. The Russian Federation

Dear Mr. Vinogradov:

We write on behalf of our clients NJSC Naftogaz of Ukraine and its wholly owned subsidiaries National Joint Stock Company Chornomornaftogaz, JSC Ukrtransgaz, JSC Ukgazvydobuvannya, JSC Ukrtransnafta, and Subsidiary Company Gaz Ukrainy (collectively, "Naftogaz") regarding the Russian Federation's failure to promptly pay the amount due in accordance with the arbitral award issued on 12 April 2023 by the arbitral tribunal in the above arbitration (the "Final Award").

As you are aware, the Final Award ordered the Russian Federation to pay Naftogaz (1) compensation in the amount of USD 4,222,875,858.81, plus interest on this amount at the rate of 6-month EURIBOR +2% compounded semi-annually from 18 March 2014 until the date of full payment; and (2) USD 23,889,036.26 and EUR 882,435.90 in reimbursement of the costs of arbitration, including Naftogaz's reasonable costs of legal representation and assistance, plus interest on these amounts at the rate of 6-month EURIBOR +2% compounded semi-annually from the date of the Final Award until the date of full payment.

Article 32(2) of the 1976 Arbitration Rules of the United Nations Commission on International Trade Law (the "UNCITRAL Rules") provides that the Final Award "shall be final and binding on the parties" and that the parties must "carry out the award *without delay*." (Emphasis added.) Despite the passage of over 30 days since the issuance of the Final Award, the Russian Federation has failed to comply with its obligation to pay the amounts owed, in full.

We demand that the Russian Federation take immediate steps to comply with its payment obligations under the Final Award, as required by the UNCITRAL Rules. In accordance with these obligations, please provide a schedule under which the Russian Federation intends to promptly pay Naftogaz, in full, the amounts ordered in the Final Award. Should legal action be necessary in order to compel Russia to comply, Naftogaz reserves the

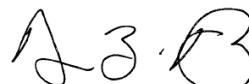
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right to seek recovery of all costs and expenses, including reasonable attorney's fees, incurred in connection with such collection efforts.

If you have any questions regarding payment instructions, you may reach me at the email address and telephone number listed above. We look forward to your prompt response.

Yours sincerely,

A handwritten signature in black ink, appearing to read 'D. Z. Pinsky', with a stylized flourish at the end.

David Z. Pinsky

cc: International Centre for Legal Protection (Counsel for the Respondent)
Mr. Andrey Kondakov (*by email: 2017_16_Respondent@iclp.pro*)
Mr. Sergey Morozov (*by email: 2017_16_Respondent@iclp.pro*)
Mr. Konstantin Ksenofontov (*by email: 2017_16_Respondent@iclp.pro*)